STENE D

GESSLER, WEXLER, FLYNN, LASWELL & FLEISCHMANN, LTD.

ATTORNEYS AT LAW

Mark S. Dym
Thomas J. Fleischmann
Terence E. Flynn
George W. Gessler
John K. Hughes
Dixie Lee Laswell
Andrew H. Perellis
Barbara W. Sholl
Donna Kaner Socol
Leon J. Teichner

Three First National Plaza Suite 2300 Chicago, Illinois 60602 (312) 580-0100 Telecopy: (312) 580-1994 Stuart A. Cohn Thomas M. Giller Mark A. LaRose Kimberley Marsh Jose D. Padilla DeWayne A. Powell

Of Counsel Robert G. Wexler

January 27, 1987

By Federal Express

CONFIDENTIAL - FOR SETTLEMENT PURPOSES ONLY

Virginia I. Yang
Enforcement Programs
Illinois Environmental Protection Agency
2200 Churchill Road
Springfield, IL 62706

e: Cabot Corporation Pre-Enforcement Conference Tuscola/Douglas County - ILD 042075333

Dear Virginia:

As we discussed at length during the Pre-Enforcement Conference held at your offices on January 23, 1987, due to circumstances beyond the control of Cabot Corporation, it was necessary to revise the closure schedule contained in the approved closure plan, the details of which were set out in a letter to Mr. Harry A. Chappel in November of 1986, and which will not be repeated herein.

Cabot's plan for closing the surface impoundment, among other things, provided for draining the surface impoundment and storing the hazardous waste in a 250,000 gallon fiberglass storage tank designed and manufactured by Tankinetics, prior to injection into Cabot's underground injection well. In addition, a 30,000 gallon back-up fiberglass tank was to be employed, also designed and fabricated by Tankinetics. Due to circumstances beyond the control of Cabot Corporation, more fully set forth in Cabot's letter to Mr. Chappel, the closure schedule had to be revised and the schedule change was requested in a letter to Ms. Karen E. Nachtwey on July 23, 1986.

The 250,000 gallon tank was put into operation on December 9, 1986. However, after the tank was put into operation, a leak was detected on December 18, 1986. The bottom of the tank was cracked. The back-up tank was then put in use.

Dr. Plesnick, a consultant, visually inspected the 250,000 gallon tank and ascertained that the tank bottom is not supported and extensive repairs are needed. Nevertheless, drainage of the surface impoundment was completed in early December.



JAN 28 1987

GESSLER, WEXLER, FLYNN, LASWELL & FLEISCHMANN, LTD.

Virginia I. Yang January 27, 1987 Page -2-

The 30,000 gallon back-up tank continues in operation. We enclose as Attachment A to this letter an update on the history of the problems Cabot has encountered with the 250,000 gallon tank.

The company is planning on cutting away the bottom of the tank and visually inspecting the underlying foundation. Should no problems with the foundation be discovered, Tankinetics can replace the bottom on-site. However, repair work to the tank cannot begin until warm weather arrives because in order for fiberglassing to occur both the temperature of the air and of the foundation must be 50° to 60° F. Nevertheless, the final date for certifying closure contained in Cabot's November 1986 letter to Mr. Chappel is accurate.

However, should there be problems with the foundation, it must be replaced. In that event, it will take an additional three (3) months to complete closure.

We must emphasize again that the difficulties in constructing the tank have been totally beyond Cabot's control and have occurred in spite of Cabot's best efforts. The fiberglass tanks fabricated by Tankinetics are the best suited for these purposes and in the past have withstood hurricanes. The foundation to the best of Cabot's knowledge should not fail.

Tankinetics is providing its own crew to oversee the replacement of the tank bottom. Should replacement of the foundation be necessary, Cabot plans on putting the project out for bid and using well respected contractors and a Registered Professional Engineer.

For your convenience, we have included as Attachment B to this letter revised schedules for completing closure. The first schedule assumes that no problems are found with the foundation. The second schedule is premised upon having to replace the foundation.

We again must emphasize that the surface impoundment is empty. Nevertheless, it is necessary that it be available as a back-up should something unforeseen happen to the 30,000 gallon tank currently in use.

In Mr. Nechvatal's December 4, 1986 Pre-Enforcement Conference Letter, he states that "some or all of the apparent violations cited constitute high priority violations (HPVs), according to USEPA Enforcement Response Policy." The company disagrees. Even assuming arguendo that an apparent violation exists, it is not a high priority violation. Indeed, USEPA in its Enforcement Response Policy specifically states that failure to meet the time frames set out for facility closure would be a Class II violation. Thus, there is clearly no policy bar to Illinois EPA's approving the revised schedule for the completion of closure.

GESSLER, WEXLER, FLYNN, LASWELL & FLEISCHMANN, LTD.

Virginia I. Yang January 27, 1987 Page -3-

We urge the Illinois EPA in the exercise of its discretion to approve the revised schedule and to modify the closure plan accordingly. RCRA policy and procedures are intended solely for the guidance of Illinois EPA. Approval of a revised closure schedule is fully consistent with RCRA guidance. In addition, because the policy and procedures are not rules, Illinois EPA is free to take any action that is at variance with the policy or procedure if determined to be appropriate in a specific case. The facts and circumstances which we have related to you both through letters and at the Conference fully demonstrate that the Illinois EPA should approve the revised closure schedule.

Should you have any questions, please feel free to contact me.

Very truly yours,

Dixie L Laswell

DLL/mb enclosure

cc: Harry A. Chappel

REVENTED

JAN 28 1987

IEPA-DLPC

History of the 250,000 Gallon RCRA Tank

- 1. Tankinetics quoted the tank on February 14, 1985. (Quote No. IL-95-7453). Delivery time was to be 14-16 weeks.
- 2. The contract (Cabot 50058) to construct the tank was written on April 10, 1985. The completion date was set for July 31, 1985. This gave Tankinetics 16 weeks to complete the tank.
- 3. Proposed foundation drawings for the tanks were given to Ed Luecht, Pemaco during April 1985 for review.
- 4. Approval drawings from Tankinetics were received 6/18/85. Tankinetics claimed the project delay was due to a delay in obtaining the proper resins.
- 5. Tank sections were not received until mid August 1985. Pemaco, Tankinetics' sub-contractor, promised the tanks would be finished by October 1, 1985.
- 6. This is the first field erected tank Pemaco has built. No one from Tankinetics is sent to supervise or inspect construction.
- 7. Construction of this tank was delayed in November because of rain and halted in December due to cold weather. Some of the bottom inside joints were defective due to water contamination.
 - 8. Pemaco resumed construction in April.
- 9. The tank was completed and tested by ITL May 22, 1986. Tank cracked at bottom joint during test.
- 10. Pemaco repaired crack and added more glass to bottom joint. The tank was retested June 6 and it again failed at the same spot.
- 11. Tankinetics' crew prepared the tank by completely grinding away the bottom inside joint then re-fiberglassing it. The tank was retested June 17 by ITL and it again failed and leaked.
- 12. A revised closure schedule was sent to Karen Nachtwey, IEPA, on July 23, 1986. The schedule was contingent on an August 1 tank start-up.
- 13. Tankinetics and Pemaco rebuilt the tank by cutting loose the floor and re-aligning it. Pemaco had constructed the tank improperly. the tank was retested by ITL on July 29 and it again failed. However there were no leaks.
- 14. Tankinetics had their consultant, Dr. Joe Plesnick inspect the tank on August 5, 1986. He reviewed the A.E. report August 18: Recommendations were made to repair the tank.

Attachment A

- 15. Repair work on the tank was delayed until September because no foremen are available to supervise the repair work.
- 16. The tank was retested on September 25, 1986. Both an AE test and a strain gauge test were performed. The tank failed the AE test, but passed the strain gauge test with reservations. A visual inspection showed some de-lamination at the bottom. Holes were drilled in the bottom and we discovered void areas between the foundation and the tank bottom.
- 17. A Tankinetics crew repaired the tank by pouring resin through holes to fill in the void areas.
- 18. The tank was retested November 5 using strain gauges. The tank held water for one week at the 33' level and was visually inspected by Dr. Plesnick November 13, 1986. Dr. Plesnick told us the tank was sound and ready to be put in service.
- 19. A revised pond closure schedule was sent to Harry Chappel, IEPA, on November 12, 1986. The revised schedule was contingent on no more tank problems.
- 20. Piping to the tank was completed and the tank was put into operation December 9. On December 18 a leak was detected. The bottom of the tank was cracked.
- 21. Visual inspection by Dr. Plesnick shows that the tank bottom is not supported and extensive repairs are needed.
- 22. The 30,000 gallon back-up tank was put into operation and the surface impoundment was drained.
- 23. Dr. Plesnick issued a report January 5, 1987 with his recommendation for repairing the tank. Repair work cannot begin until warm weather arrives.

Attachment A

Revised Surface Impoundment Closure Schedule Assuming No Foundation Problems (1/26/87)

Cut out tank bottom and inspect the foundation

Repair tank and re-test

May 1987

Start closure

June 1987

Complete closure

August 1, 1987

Certify closure

August 15, 1987

Revised Surface Impoundment Closure Schedule Assuming Foundation Must Be Replaced (1/26/87)

Cut out tank bottom and inspect the foundation	March 1987
Investigate foundation problems and re-design	April 1987
Construct new foundation	July 1987
Move tank to new foundation, repair, re-test and install new piping	August 1987
Start closure	September 1987
Complete closure	November 1, 1987
Certify closure	November 15, 1987